



Sibley County SSTS Loan Application  
P.O. Box 161 112 5<sup>th</sup> St.  
Gaylord, MN 55334  
Ph. (507) 702-7077  
e-mail: ron.otto@sibleyswcd.org

## Septic System Low Interest Loan Application Instructions

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1. **WRITTEN CONFIRMATION OF LOAN APPROVAL MUST BE RECEIVED PRIOR TO THE START OF CONSTRUCTION.**
2. Contact a licensed designer to complete a design plan for 2 sites (main and alternative). Our office has a list of licensed designers and installers.
3. Submit the design to Property Assessing & Zoning Department for review and approval by the County Inspector. The permit fee must be paid at this time. Permit fee is \$460.
4. Get estimates from contractors (installer and electrician) for total cost of the system. If you are in the High Island Watershed, two estimates are needed. Only one estimate is needed if you are in other watersheds.
5. There is no cap for loans.
6. **Complete the attached application form** and cost estimates and bring to the Sibley Soil and Water Conservation District (SWCD) office. In accordance to the availability of funds and date of application, a priority list is maintained. The Treasurer's office will certify that the property taxes stated are current and the value of the property is greater than the cost estimates for installing the septic system.
7. A letter will be sent to the applicant by the Sibley SWCD office stating the county has approved your loan and construction can begin.
8. After the final inspection of the septic system by the County Inspector, the Property Assessing & Zoning Department office will issue a Certificate of Compliance.
9. Final bills from contractors should be submitted to Sibley SWCD by the applicant. An appointment is made with that office (507-702-7077) and the Sibley County Auditor, Marilee Peterson. At that time, a tax lien document is created and notarized by the Auditor. A recorder's fee of \$46.00 is paid at the Recorder's office. In addition, a mortgage registry tax (amt. of loan x .0023) is paid to the Sibley County Treasurer.
10. Sibley SWCD and Auditors Office will process the bills for payment to the contractors.

## Other Helpful Information on Low Interest Septic Loans

1. The septic system must serve residential, non-commercial property located in Sibley County. The applicant must be a property owner. There is no income requirement.
2. Property must have a non-conforming septic system. This would include:
  - a) Discharge to the surface
  - b) Tiled to drainage or road ditch
  - c) Discharge to cesspool, seepage pits or dry wells
  - d) Less than 3-foot separation to seasonally saturated soil
  - e) Lack of a system
  - f) Does not meet setback to existing well
3. Ineligibility would include:
  - a) Refinancing a previously installed system
  - b) Septic for new homes
  - c) Non-residential property
  - d) Project started before design and loan approval
  - e) Under court order to repair the system
  - f) Real estate taxes paid on the parcel must be up to date
4. Amount of loan is limited to total cost of installing a conforming system. Applicant may borrow less than the total cost of construction but may not request more than actual cost of construction.
5. Construction must occur within one year of the loan pre-approved date.
6. The septic design must meet minimum standards set forth in the MPCA Rule 7080 and the Sibley County Zoning Ordinance. Installers must be licensed by MPCA. Alternative systems that are accepted by MPCA may be included.
7. The annual interest rate is 3%. Interest will accrue beginning the date Sibley County pays the contractor.
8. Loans will be repaid within 10 years or less and in level principal amounts. Liens filed after January 31 of any given year will be assessed on the following year's tax statement. **At any time, you may pay the entire amount of any remaining balance** with interest accrued to December 31 of the year such payment is made. Such payment must be made before November 14 of any year or interest will be charged through December 31 of the succeeding year.
9. Upon satisfaction of the lien, Sibley County will submit to the property owner this statement, and then it is recorded by the property owner at the Recorder's office.

For Information Contact: Ronald Otto  
Sibley Water Planner  
PO Box 161- 112 5<sup>th</sup> Street  
507-702-7077 ext. 204